

CNS9855

R GE 11-12 00181 EA920

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Mahathir-Li Peng

KUALA LUMPUR, Dec 11 (Bernama) -- Visiting Chinese Prime Minister Li Peng today gave a guarantee to the Malaysian government that China will not resort to using the local Chinese community to further its own interests.

In an hour-long meeting with Prime Minister Datuk Seri Dr Mahathir Mohamad here, Encik Li also urged Malaysian Chinese to continue being good citizens of Malaysia to help contribute towards national development.

Those Chinese who had yet to become citizens of the Southeast Asian countries in which they reside should respect the laws of the respective countries, he added.

Foreign Ministry Deputy Secretary-General Datuk Abdul Majid Mohamed, who briefed reporters later, said Encik Li's statement was a +very clear message+ of assurance to countries in the region which had long feared the local Chinese communities being used by China to undermine national security.

Premier Li also assured that China's current beefing up of its defence forces was strictly for self-defence purposes and posed no threat to neighbouring countries. -- more

♥11/12/15-16MST

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Datuk Seri Dr Mahathir and Encik Li later chaired a two-hour-long delegation meeting at the Prime Minister's office here. Encik Li arrived yesterday on a four-day official visit.

The Chinese premier said his visit here would further enhance bilateral relations with Malaysia, Datuk Abdul Majid said.

Datuk Seri Dr Mahathir pointed out that the last remaining obstacle which had prevented closer ties between Malaysia and China had been the Chinese-backed Communist Party of Malaya (CPM).

But, following the signing of a peace agreement between the Malaysian government and the CPM last year, there was now no reason why bilateral ties could not develop further.

Reflecting this desire for improved relations, Malaysia had lifted travel restrictions on Malaysian tourists to China, and was now considering expediting visas for Chinese visitors to Malaysia. -- more

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Also, Malaysian and Chinese airline officials would meet next week to discuss the possibility of increasing flights between the two countries.

Datuk Seri Dr Mahathir told Premier Li that the large Chinese community in Malaysia had contributed to the political and economic growth of the nation.

The cooperation of the Malaysian Chinese, who were citizens with full rights, was among the reasons which provided Malaysia with the stability needed for economic progress, he added.

The two leaders also discussed bilateral and international issues including Datuk Seri Dr Mahathir's proposal for East Asian countries to establish a regional economic grouping to safeguard its interests in view of growing global trade protectionism.

The Chinese leader was +supportive+ of the need for East Asian countries to have closer economic cooperation, and agreed that talks were needed to explore the suggestion further, Datuk Abdul Majid said. -- more

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Premier Li said closer cooperation was of importance particularly following the suspended Uruguay Round of multi-lateral trade talks for freer global trade, which he described as a +failure,+ and increasing regional trade blocs in the West.

He agreed with Datuk Seri Dr Mahathir that Western countries were resorting to issues such as human rights, workers' rights and environmental protection as excuses to hamper the progress of developing nations.

On bilateral trade, Malaysia hoped that there would be more direct trade instead of via Singapore and Hong Kong.

Both sides agreed that there had been tremendous changes in bilateral trade following the establishment of diplomatic relations in 1974, especially after Datuk Seri Dr Mahathir's visit to China in 1985 which saw total trade increase from \$1 billion to \$3 billion.

Malaysia also asked China to reduce the current import tariff on palm oil which is higher than that imposed on peanut and soybean oils. -- Bernam

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